THE STATE of ALASKA
GOVERNOR MICHAEL J. DUNLEAVY

Department of Commerce, Community, and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West Seventh Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

MEMORANDUM

TO: Marijuana Control Board

DATE: Monday, March 22, 2021

FROM: James Hoelscher, Enforcement Supervisor

RE: Distributing Marijuana – 3 AAC 306.500

Enforcement was approached and asked if a product manufacturing could receive bulk marijuana from a cultivator, repackage and distribute to marijuana retail stores. The question was brought about because of an operating plan change. The licensee is not manufacturing a product or concentrate and would be repackaging and labeling bulk marijuana that is unadulterated.

Enforcement reviewed and responded to the request and informed licensing that this would not conform to multiple regulations in 3 AAC 306:

3 AAC 306.345. Packaging and labeling

(a) A retail marijuana store shall assure that

*(1) **marijuana** sold on its licensed premises is packaged and labeled in compliance with **3 AAC 306.470 and 3 AAC 306.475;***

3 AAC 306.470. Packaging of marijuana

(a) A marijuana cultivation facility shall package its marijuana bud and flower for sale

(1) to a retail marijuana store, either

(A) in a package not exceeding one ounce for resale to consumers without additional handling by the retail marijuana store except to add the retail marijuana store's own

(i) identifying name or logo; and

(ii) license number; or

*(B) in a wholesale package not exceeding 10 pounds **for repackaging by the retail marijuana store**; or*

(2) to a marijuana product manufacturing facility in a wholesale package

(A) not exceeding 10 pounds; and

(B) consisting of a single strain or a mixture of strains as identified on the label.

3 AAC 306.505. Marijuana product manufacturing facility privileges

(a) Except as provided in 3 AAC 306.515, a licensed marijuana product manufacturing facility, including a marijuana concentrate manufacturing facility, is authorized to

(1) purchase marijuana from a marijuana cultivation facility or from another marijuana product manufacturing facility;

(2) extract marijuana concentrate in compliance with 3AAC 306.555;

(3) manufacture, refine, process, cook, ***package, label, and store marijuana products approved under 3 AAC 306.525,*** *including*

(A) marijuana concentrate; or

(B) any product intended for consumption or use on the body that is comprised of marijuana and other ingredients, including edible products, ointments, salves, patches, or tinctures;

(4) sell, distribute, or deliver ***marijuana extract or any marijuana product*** *only to a licensed retail marijuana store or to another licensed marijuana product manufacturing facility;*

(5) provide and transport samples of marijuana concentrate or other marijuana product to a licensed marijuana testing facility for testing;

(6) provide a sample of marijuana concentrate or a marijuana product approved under 3 AAC 306.525 to a licensed retail marijuana store for the purpose of negotiating a sale;

(7) store inventory in a restricted access area on the licensed premises as provided in 3 AAC 306.535;

(8) transport marijuana in compliance with 3 AAC 306.750;

3 AAC 306.510. Acts prohibited at marijuana product manufacturing facility

(a) A licensed marijuana product manufacturing facility, including a licensed marijuana concentrate manufacturing facility, may not

(1) sell, deliver, distribute, or transfer marijuana, marijuana concentrate, or a marijuana product directly to a consumer, with or without compensation;

(2) ***sell marijuana, marijuana concentrate, or a marijuana product that is not manufactured, packaged, and labeled in compliance with 3 AAC 306.500 - 3 AAC 306.570;***

3 AAC 306.515. Marijuana concentrate manufacturing facility license

A licensed marijuana concentrate manufacturing facility has the privileges set out in 3 AAC 306.505, except that it may not

(1) manufacture, refine, process, cook, package, label, or store any marijuana product other than marijuana concentrate;

(2) sell, distribute, or deliver a marijuana product other than marijuana concentrate to a retail marijuana store or to another marijuana product manufacturing facility;

3 AAC 306.565. ***Packaging of marijuana products***

3 AAC 306.570. ***Labeling of marijuana products***

3 AAC 306.990. Definitions

(25) ***"marijuana****" has the meaning given in AS 17.38.900;*

(27) "marijuana infused product"

(A) means a product that contains marijuana or marijuana concentrate and is intended for human use;

(B) does not include bud and flower marijuana;

All the packaging requirements for a manufacturing license only references “marijuana products”, bulk marijuana is not referenced in these regulations, this is further reinforced by the titles of the regulations are specific to marijuana products. We have separate definitions for marijuana and marijuana products, in which it is very specific that marijuana products do not include bud and flower marijuana.

Enforcement has looked at the totality of these regulations and has interpreted them to as a Product Manufacturer is not permitted to repackage any bulk marijuana, that has not been manufactured into a product or concentrate, for distribution to a retail store.

Enforcement has also taken into consideration the boards previous direction of concerns for any cross contamination of marijuana and/or marijuana products being held for transport to another facility.